

NEW APPLICATION



BEFORE THE ARIZONA CORPORATION COMMISSION

COMMISSIONERS

BOB STUMP - Chairman
GARY PEIRCE
BRENDA BURNS
BOB BURNS
SUSAN BITTER SMITH

Arizona Corporation Commission

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IN THE MATTER OF THE APPLICATION
OF EPCOR WATER ARIZONA INC.,
AN ARIZONA CORPORATION, FOR A
DETERMINATION OF THE CURRENT
FAIR VALUE OF ITS UTILITY PLANT
AND PROPERTY AND FOR INCREASES
IN ITS RATES AND CHARGES FOR
UTILITY SERVICE BY ITS MOHAVE
WATER DISTRICT, SUN CITY WATER
DISTRICT, TUBAC WATER DISTRICT,
MOHAVE WASTEWATER DISTRICT,
AND SUN CITY WASTEWATER
DISTRICT.

NOTICE OF INTENT TO FILE RATE APPLICATION

WS-01303A-14-0010

In accordance with A.A.C. R14-2-103(A)(3), EPCOR Water Arizona Inc., an Arizona corporation (the "Company"), through undersigned counsel, hereby provides notice of its intent to file a rate application for the establishment of just and reasonable rates for its Mohave Water, Sun City Water, Tubac Water, Mohave Wastewater and Sun City Wastewater districts. The specific information in relation to that anticipated filing is as follows:

1. Anticipated date of filing: on or before February 14, 2014.
2. Test year ended: June 30, 2013.
3. Proposed effective date of the rate change: on or before April 1, 2015.
4. EPCOR Water will propose that fair value rate base equals net original cost rate base, and Mohave Water and Sun City Water also will request approval of a System Improvement Benefits surcharge or SIB.

1 5. Major causes of the request to increase customer water rates:

- 2 • Actual June 30, 2013 test year revenues significantly below the
- 3 amount previously authorized by the Commission due to continuing
- 4 declining residential water usage per customer;
- 5 • Increases to utility plant in service since the test years in the last rate
- 6 case, including plant related to maintaining compliance with Federal
- 7 water quality standards;
- 8 • Increases to operations and maintenance expenses caused by general
- 9 inflation in the ensuing years since the test years of the districts,
- 10 including expenses such as labor, employee benefits, and
- 11 maintenance costs; and
- 12 • Increases to taxes other than income associated with increases in
- 13 property taxes.

14 RESPECTFULLY SUBMITTED this 10th day of January, 2014.

15 FENNEMORE CRAIG, P.C.

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17 By 

18 Jay L. Shapiro
19 Todd C. Wiley
20 2394 E. Camelback Road
21 Suite 600
22 Phoenix, Arizona 85016
23 Attorneys for EPCOR Water Arizona Inc.

24 **ORIGINAL** and fifteen (15) copies
25 of the foregoing were filed
26 this 10th day of January, 2014, with:

24 Docket Control
25 Arizona Corporation Commission
26 1200 W. Washington Street
 Phoenix, AZ 85007

1 **COPY** of the foregoing was hand delivered
2 this 10th day of January, 2014, to:

3 Lynn Farmer, Chief Administrative Law Judge
4 Arizona Corporation Commission
5 1200 W. Washington Street
6 Phoenix, AZ 85007

7 Janice Alward, Chief Counsel
8 Legal Division
9 Arizona Corporation Commission
10 1200 W. Washington Street
11 Phoenix, AZ 85007

12 Steve Olea, Director
13 Utilities Division
14 Arizona Corporation Commission
15 1200 W. Washington Street
16 Phoenix, AZ 85007

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18 By: W. M. M. Leach

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